



Millennium Challenge Corporation

Reducing Poverty Through Growth

Paul V. Applegarth
Chief Executive Officer

June 15, 2005

The Honorable George W. Bush
President of the United States
The White House

Dear Mr. President:

I wish to let you know that today I advised MCC's Board Chair, Secretary Rice, that I plan to resign as Chief Executive Officer of the Millennium Challenge Corporation at a mutually agreeable time to allow a smooth transition and ensure maximum continuity for MCC and its mission.

It has been an honor and pleasure for me to serve in your Administration. I believe that MCC is one of your most significant initiatives and will be an important and positive part of your legacy.

What was a dream a year and a half ago is now a solid organization. With the Board's approval on last Monday of our third and fourth Compacts, we have now allocated over \$600 million in grants to deserving countries, and we are making good progress with a number of others. I expect that we will have committed at least a billion dollars in Compacts by early Fall; the pipeline has been firmly established; the Threshold program is on track; and we expect to be in position to finalize agreements with most of the currently eligible countries by the first part of 2006. We have assembled a wonderful team of bright, talented, and experienced professionals, and we moved into our new permanent headquarters two weeks ago.

Perhaps most importantly, MCC's policy incentives are working and the Compacts we have approved and those we are considering promise to reduce poverty through sustainable growth. We are helping to implement your vision of creating a new model for effective long-term development aid that will ultimately help some of the poorest people in the world escape poverty.

Yours very truly,